DT-59-F

September 14, 1992

To All Division Managers

SUBJECT: First Quarter 1993 Work Plan

The first quarter 1993 work plan you submitted has been reviewed by our Financial and Executive Management. On a national basis, over 100 menu programs were selected. In addition, many non-menu items tying in with local opportunities were developed. You are all to be complimented for your fine planning efforts in utilizing the Account Specific Marketing process to maximize work plan opportunities in your division or district.

Some revisions have been made to the first quarter work plan due to financial or logistic considerations. Revisions are as follows:

- 1. The WINSTON February base plan has been changed from a t-shirt with 3 packs to a WINSTON Select/WINSTON Select Box BIGIF. It was determined, after careful analysis, that a t-shirt was not financially or strategically feasible due to the high promoted cost per carton and the need for more franchise protection following the potential FET in January.
- 2. The SME tote cushion (program #300429), fishing and camping tote cushion (program #300428), entertainment tote cushion (program #300430), and the long-sleeve Motorsports t-shirt (program #300381) have been deleted due to small quantities requested and resulting high costs of the premium.

The monies allocated to the base plan 3-pack t-shirt offer and the 4 other cancelled programs may be converted to the following WINSTON promotions:

February Base BIG1F on WINSTON Select/WINSTON Select Box (50% for each brand).

Costs: Unit .98 SKU 39.14 Cost/Promo. Pk .49

Purchase additional buy carton get 5 packs free (#300230). Gratis product will count toward volume and competition is projected to have a similar offer at retail. Utilize for FET defense due to high perceived value (\$10.00-\$12.00 per carton) for cost per unit of \$4.74.

Purchase additional pack and carton coupons/VPRs.

Retain additional monies as WINSTON contingency for use as needed. Possible uses: FET back-up, competitive defense, buy-downs.

- \* Please consult your Regional Managers or sales area staff for further guidelines.
- \* \* \* \* \* Important \* \* \* \*

The SMS "Work Plan Menu" will be opened on 9/16/92 through 9/24/92 for you to make adjustments only to the WINSTON promotions listed above.

Step 1. Run budget reports 560 and 599 for hard copy reference of previously requested quantities.

Step 2. Select Function 555 Work Plan Menu and select work plan by month as follows:

WINSTON Revisions - January 1993 WINSTON Revisions - February 1993 WINSTON Revisions - March 1993

Step 3. Select the promotion # you are updating and adjust accordingly.

Step 4. Regional Managers review updates and approve - Function 561.

All promotions to be updated will reflect a "0" quantity; however, the on-line budget reflects previously allocated dollars (t-shirt included). The <u>usage amount</u> will indicate usage of dollars minus the promotions which have been eliminated.

- 3. The WINSTON sweatshirt (promotion #300216) will be packed in units of 10's due to the size of the premium. You will still receive your requested quantities, but they will be packed into two boxes of 10 units rather than one box of 20 units.
- 4. The CAMEL base plan promotion for March pool player ashtray (promotion #300423) -will not be available for order until January 25, 1993. In some cases, the ashtray was requested for January and February in addition to the March base plan.

All other portions of the first quarter work plan have been approved as submitted.

Program contacts: Dick Luongo - 6110 - Work Plan Specifics Sharon Reid - 2584 - Work Plan Specifics Wanda Snow - 3325 - Work Plan Module

R. J. Reynolds Tobacco Company

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